



## **BOARD OF SUPERVISORS AGENDA ITEM REPORT** **CONTRACTS / AWARDS / GRANTS**

☐ Award ☐ Contract ☐ Grant

Requested Board Meeting Date: November 20, 2018

**\* = Mandatory, information must be provided**

or Procurement Director Award ☐

**\*Contractor/Vendor Name/Grantor (DBA):**

Arizona Health Care Cost Containment System (AHCCCS)

**\*Project Title/Description:**

Intergovernmental Agreement for AHCCCS Inmate Hospitalization. The IGA being amended can be found by searching 16%176 in eContracts.

**\*Purpose:**

This IGA allows AHCCCS to pay claims for inpatient hospital services provided to eligible inmates of the Pima County Adult Detention Center (PCADC). In payment of these claims, AHCCCS draws down Federal matching funds (approx. 2/3) and Pima County reimburses the State for their match portion (1/3), saving Pima County 2/3 of the cost of eligible inpatient hospitalizations. Pima County also pays AHCCCS administrative charges for the claims that they pay for Pima County inmates. Amendment #1 exchanges the rates that were set for FY 2016 with new rates for FY2019.

**\*Procurement Method:**

This IGA is not subject to procurement rules.

**\*Program Goals/Predicted Outcomes:**

- The County and AHCCCS will agree upon an eligibility application and determination process that complies with both Federal and State regulations to adjudicate and pay claims for inpatient hospital services provided to inmates.
- County will provide funds on a quarterly basis, or as needed, to AHCCCS to use as the State match for qualifying claims.

**\*Public Benefit:**

By taking advantage of federal matching dollars for inpatient hospital services, the amount of general fund dollars needed to pay for inmate medical expenses is reduced.

**\*Metrics Available to Measure Performance:**

- Quarterly program expenditure reports
- Weekly reports (when claims have been paid) on claims paid by AHCCCS.

**\*Retroactive:**

Yes. This amendment was not received from AHCCCS until 10/24/18 though it has an effective date of 10/1/18.

*To: 008-10-31-18  
975-6  
(1)*

**Contract / Award Information**

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Contract Number (i.e., 15-123): \_\_\_\_\_

Effective Date: \_\_\_\_\_ Termination Date: \_\_\_\_\_ Prior Contract Number (Synergen/CMS): \_\_\_\_\_

☐ Expense Amount: \$\* \_\_\_\_\_ ☐ Revenue Amount: \$ \_\_\_\_\_**\*Funding Source(s) required:**Funding from General Fund? ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No**If Yes, is the Contract to a vendor or subrecipient?** \_\_\_\_\_Were insurance or indemnity clauses modified? ☐ Yes ☐ No*If Yes, attach Risk's approval.*Vendor is using a Social Security Number? ☐ Yes ☐ No*If Yes, attach the required form per Administrative Procedure 22-73.***Amendment / Revised Award Information**Document Type: CT Department Code: OMS Contract Number (i.e., 15-123): 16-176Amendment No.: 01 AMS Version No.: 07Effective Date: 10-1-2018 New Termination Date: no changePrior Contract No. (Synergen/CMS): N/A☒ Expense or ☐ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$ 0.00Is there revenue included? ☐ Yes ☒ No If Yes \$ \_\_\_\_\_**\*Funding Source(s) required:** N/A - no additional funds with this amendmentFunding from General Fund? ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_**Grant/Amendment Information** (for grants acceptance and awards) ☐ Award ☐ Amendment

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Grant Number (i.e., 15-123): \_\_\_\_\_

Effective Date: \_\_\_\_\_ Termination Date: \_\_\_\_\_ Amendment Number: \_\_\_\_\_

☐ Match Amount: \$ \_\_\_\_\_ ☐ Revenue Amount: \$ \_\_\_\_\_**\*All Funding Source(s) required:****\*Match funding from General Fund?** ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_**\*Match funding from other sources?** ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_**\*Funding Source:** \_\_\_\_\_**\*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?** \_\_\_\_\_Contact: Sharon GrantDepartment: Behavioral HealthTelephone: 724-7842Department Director Signature/Date: Ellen Whelan 10/30/18Deputy County Administrator Signature/Date: John 10/30/18County Administrator Signature/Date: C. R. Schubert 10/30/18

(Required for Board Agenda/Addendum Items)

<b>CONTRACT</b>
NO. <u>CT-OMS-16-176</u>
AMENDMENT NO. <u>01</u>
This number must appear on all invoices, correspondence and documents pertaining to this contract.

**INTERGOVERNMENTAL AGREEMENT (IGA) AMENDMENT**

1. AMENDMENT #:  <b>1</b>	2. CONTRACT #: <b>YH16-0018-01</b> <b>CT-OMS-16-176</b>	3. EFFECTIVE DATE OF AMENDMENT:  <b>OCTOBER 1, 2018</b>	4. PROGRAM:  <b>DFSM / DMS</b>
5. CONTRACTOR/PROVIDER NAME AND ADDRESS:  <p style="text-align: center;">Pima County 130 W. Congress S Tucson, AZ 85701</p>			
6. PURPOSE: To revise rates.			

1. THE ABOVE REFERENCED CONTRACT IS HEREBY AMENDED AS FOLLOWS:

A. Change rates from Attachment A (SFY16) to the rates as shown in Attachment A (SFY19).

B. Change Quarterly Estimate of State Match Advance Payments from Attachment B (SFY16) to the Estimates listed in Attachment B (SFY 19).

2. EXCEPT AS PROVIDED FOR HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT NOT HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL EFFECT.

## SIGNATURE PAGE

IN WITNESS THEREOF, the parties have executed this Agreement:

**COUNTY:**

**Arizona Health Care Cost Containment  
System (AHCCCS):**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: Richard Elias

Printed Name: Alice McLain, MBA

Title: Chairman, Pima County Board of  
Supervisors

Title: Procurement Manager

Date: \_\_\_\_\_

Date: 10/17/18

**ATTEST:**

Signature: \_\_\_\_\_

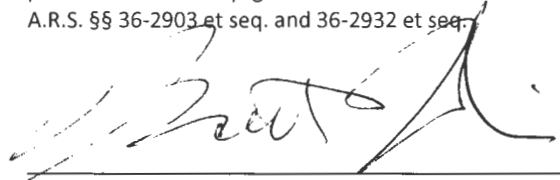
Printed Name: Julie Castaneda, Clerk of the Board

Date \_\_\_\_\_

In accordance with A.R.S. § 11-952, this Agreement has been reviewed by the undersigned who has determined that this Agreement is in the appropriate form and is within the power and authority granted to COUNTY.

  
COUNTY Attorney

In accordance with A.R.S. § 11-952, this Agreement is in the proper form and is within the power and authority granted to AHCCCS under A.R.S. §§ 36-2903 et seq. and 36-2932 et seq.

  
Legal Counsel for AHCCCS

*Electronic Submission: An electronic or portable document file (PDF) copy of this amendment shall serve as the original.*

# ATTACHMENT A

## AHCCCS Administrative Annual Cost Estimates for Pima County Medicaid Eligible Inmates FFS Project IGA SFY19

Claims	Electronic 87%	Paper 13%	Total Fund 100%	State Share 50%	Federal Share 50%
Estimated total number of claims:					
Physician & Emergency Transport/Hospital	1 675	100	775		
DFSM Cost per Claim	2 \$ 0.61	\$ 0.70			
OIG Cost per Claim	2 \$ 0.15	\$ 0.15			
ISD Cost per Claim	2 \$ 1.41	\$ 1.41			
Concurrent Review	Average Cost				
Estimated cost per case	3 \$ 96.75				
Estimated number of HSAG reviews	4 5				
Claims Processing costs:					
DFSM	\$410.91	\$70.35	\$481.26	\$240.63	\$240.63
OIG	\$101.40	\$15.02	\$116.42	\$58.21	\$58.21
ISD	\$951.78	\$141.00	\$1,092.78	\$546.39	\$546.39
State Accounting System Charges @ \$0.1350/claim	\$91.10	\$13.50	\$104.60	\$52.30	\$52.30
Total Claims Processing Costs	\$1,555.19	\$239.87	\$1,795.06	\$897.53	\$897.53
Direct DFSM Labor for Pima Co Medicaid Claims Processing	5		\$0.00	\$0.00	\$0.00
Direct ISD Labor for Pima Co Medicaid Claims Processing	6		\$7,000.00	\$3,500.00	\$3,500.00
Concurrent Review Estimated costs:					
Cost for 5 reviews			\$483.76	\$241.88	\$241.88
Administrative Costs (see detail)					
DBF Paper Processing Personnel costs	7		\$ 7,410.72	\$3,705.36	\$3,705.36
Postage @ \$.0605/claim	8		\$46.88	\$23.44	\$23.44
Data Center Charges @ \$.4931/claim	9		\$382.14	\$191.07	\$191.07
OOD @ \$.2219/claim			\$172.02	\$86.01	\$86.01
OALS @ \$.0851/claim			\$65.94	\$32.97	\$32.97
HRD @ \$.0261/claim			\$17.90	\$8.95	\$8.95
Indirect at 10%			\$809.56	\$404.78	\$404.78
Total DBF Administrative Costs			\$ 8,905.16	\$4,452.58	\$4,452.58
DMS Eligibility Costs					
Application Processing Costs - DMS	10		\$8,000.00	\$4,000.00	\$4,000.00
Estimated Total Annual Costs for Program			\$26,183.98	\$13,091.99	\$13,091.99
Cost per Claim	11		\$33.16	\$16.58	\$16.58

- <sup>1</sup> Actual number of claims may be higher. Number includes, original, recoupment and adjustment claims.
- <sup>2</sup> Cost based on actual SFY17 expenditures and actual number of claims processed
- <sup>3</sup> Average rate per contract. Actual costs will be a strict pass-through based on price negotiated on new contract.
- <sup>4</sup> Actual number may be higher or lower depending on Pima County Medicaid Inmate program requirements.
- <sup>5</sup> Based on estimates of DFSM staff time required to process the claims.
- <sup>6</sup> Estimate based on 40 hours at a rate of \$175 per hour. Will only be billed for actual hours incurred.
- <sup>7</sup> Based on estimates of DBF staff time required to monitor funding activity and process payments.
- <sup>8</sup> Postage based on average cost per claim times number of claims.
- <sup>9</sup> Data Center charges calculated based on average SFY17 costs
- <sup>10</sup> DMS Eligibility charges calculated at \$100/determination. Estimated 80 annual applications/determinations.
- <sup>11</sup> Cost per claim does not include a cost for concurrent reviews

## ATTACHMENT B

### AHCCCS Quarterly Estimate of State Match Advance Payments for Program Services Pima County Medicaid Eligible FFS Project IGA SFY19

Estimate of Annual Dollar Value of Claims Paid	\$ 450,000.00
Average Federal Financial Participation Rate	79.91%
Estimate of State Match Payments for Program Services for Current Year	\$ 90,427.50
Quarterly Estimate of State Match Advance Payments for Program Services to AHCCCS	<u>\$ 22,600.00</u>

**END OF DOCUMENT**